PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

CLERK'S OFFICE

NOTICE OF FILING AND HEARING

DOCKET NO. 2009-473-WS

TEGA CAY WATER SERVICE, INC. – APPLICATION FOR ADJUSTMENT OF RATES AND CHARGES AND MODIFICATIONS TO CERTAIN TERMS AND CONDITIONS FOR THE PROVISION OF WATER AND SEWER SERVICE

Tega Cay Water Service, Inc. (Tega Cay or the Company) has filed an Application with the Public Service Commission of South Carolina (the Commission) for an adjustment of the Company's rates and charges and modification of certain terms and conditions for the provision of water and sewer service. Tega Cay is a public utility, as defined by S.C. Code Ann. § 58-5-10(4) (Supp. 2009), providing water and sewer service to the public for compensation pursuant to rates approved by the Commission in Docket No. 2006-97-W/S.

Pursuant to S.C. Code Ann. § 58-5-240 (Supp. 2009) and 26 S.C. Code Ann. Regs. 103-512.4.A and 103-712.4.A (Supp. 2009), the Company requests that the Commission approve an increase in its monthly water and sewer service rates. Pursuant to Regulation 103-703 (1976), the Applicant further seeks Commission approval to provide that the Utility may disconnect those customers who do not annually have cross connections which may be installed, permitted or maintained between the Utility's water system and any other non-public water system inspected by a licensed certified tester and fail to provide to the Utility no later than June 30th of each year a copy of a written inspection report and testing results submitted by the certified tester in accordance with 24A S.C. Code Ann. Regs. 61-58.7.F (Supp. 2009). The Applicant also proposes to amend its rate schedule to provide that, in lieu of mailing its customers a paper bill, it may provide an electronic bill to its water and sewer customers on the Company's website if requested by the customer in writing. Finally, the Company proposes to increase its approved Fire Hydrant fee to be charged per hydrant per year for water service to reflect an increase equal to the proposed increase in water service rates.

In support of its request for an adjustment in the Company's water and sewer rates, terms and conditions Tega Cay states, among other things, that the proposed water and sewer rate increases are necessary in order that it may provide reasonable and adequate service to its customers, comply with standards and regulations set by the Department of Health and Environmental Control and other governmental agencies, and earn a reasonable return on its investment and attract capital for future improvements. The Company also asserts that the proposed water and sewer rate increases are necessary to preserve its financial integrity and to permit continued investment in and maintenance of its facilities so as to provide reliable and high quality services.

THE PROPOSED <u>CHANGES</u> IN THE RATES AND CHARGES ARE SET FORTH BELOW (The complete rate schedule is available from the Company at the address below and on the Commission's website at www.psc.sc.gov)

WATER

Monthly Charges Residential (per single family house, condominium, mobile home, or apartment unit) Charge for Water Distribution Only Residential	Current	Proposed
Basic Facilities Charge Commodity Charge	\$7.56 per unit \$1.69 per 1,000 gallons or 134 cft	\$9.21 per unit \$2.06 per 1,000 gallons or 134 cft
Commercial		
Basic Facilities Charge Commodity Charge	\$7.56 per SFE \$1.69 per 1,000 gallons or 134 cft	\$9.21per SFE \$2.06 per 1,000 gallons or 134 cft
Annual Fire Hydrant Fee	\$100 per year	\$121.80 per year

SEWER

Monthly Charges Residential monthly charge Per single-family house, condominium, villa, mobile home or apartment unit	Current \$33.02 per unit	Proposed \$40.12 per unit
Commercial – monthly charge	\$33.02 per SFE	\$40.12 per SFE

A copy of the Company's Application can be obtained from the Commission at the following address: Public Service Commission of South Carolina, Clerk's Office, P. O. Drawer 11649, Columbia, South Carolina 29211. Additionally, Tega Cay's Application is available on the Commission's website at www.psc.sc.gov.

In order for testimony and evidence to be received from all interested parties, a public hearing will be held in the Commission's Hearing Room, Synergy Business Park, 101 Executive Center Dr., Columbia, South Carolina on **Monday, June 7, 2010 at 10:30 a.m**.

Any person who wishes to participate in this matter, as a party of record with the right of cross-examination should file a Petition to Intervene in accordance with the Commission's Rules of Practice and Procedure, on or before **March 25, 2010**, and indicate the amount of time required for his presentation. Please include an email address for receipt of future Commission correspondence in the Petition to Intervene. *Please refer to Docket No. 2009-473-W/S*.

Any person who wishes to testify and present evidence at the hearing should notify the Clerk's Office, in writing, at the address below, the Office of Regulatory Staff, 1401 Main Street, Suite 900, Columbia, South Carolina 29201, and John M. S. Hoefer, Esquire, Willoughby & Hoefer, P.A., Post Office Box 8416, Columbia, South Carolina 29202-8416 on or before **March 25, 2010**, and indicate the amount of time required for the presentation. *Please refer to Docket No. 2009-473-W/S*.

Any person who wishes to request a hearing in his or her county of residence, and does not want to intervene as a party of record in this matter, should notify on or before March 25, 2010, in writing, the Clerk's Office at the address below, the Office of Regulatory Staff, 1401 Main Street, Suite 900, Columbia, South Carolina 29201, and John M. S. Hoefer, Esquire, Willoughby & Hoefer, P. A., Post Office Box 8416, Columbia, South Carolina 29202-8416. *Please refer to Docket No. 2009-473-W/S*

Any person who wishes to be notified of any change in the hearing date, but does not wish to present testimony or be a party of record, may do so by notifying the Clerk's Office in writing at the address below on or before March 25, 2010. Please refer to Docket No. 2009-473-W/S.

PLEASE TAKE NOTICE: Any person who wishes to have his or her comments considered as part of the official record of this proceeding MUST present such comments, in person, to the Commission during the hearing.

Persons seeking information about the Commission's Procedures should contact the Commission in Columbia at 803-896-5100.

Public Service Commission of South Carolina Attn: Clerk's Office Post Office Drawer 11649 Columbia, SC 29211

2/26/10